

Planners Stakeholders Group Meeting Notes December 20 2002

Opening Comments – Jack Tomasik

There is a short item to open this meeting. Thanks to the suggestion by John Kross of Queen Creek, we are going to set the calendar year meeting schedule of the Planners Stakeholders Group to be on the same day as the monthly MAG POPTAC meetings. There is overlap between POPTAC and PSG participants, and we hope that bundling these meetings will make better use of your time at MAG's office. The calendar for 2004 PSG meetings is included; POPTAC meets from 10 am to 12 am, and the PSG will meet from 1 pm to 3 pm on the same days as POPTAC. The meeting schedule is enclosed with these meeting notes.

The main purpose of this meeting is to present new work tasks for MAG's Regional Development Division, to discuss them, and to invite input from Planners Stakeholders Group (PSG) participants. Specifically, Regional Council approved the general direction of certain new tasks, with the expectation that more specific direction would come through the input of the PSG and then discussion/approval by Management Committee and Regional Council. We would like to form ad hoc work groups for input regarding the *Regional Annual Report* and for *Compiling Information on Regionally Significant Development Projects*. If PSG participants have other suggestions, please make them.

The FY2003 Regional Development Division's new work tasks were approved at December's Regional Council meeting. The new work tasks were approved for an 18-month evaluation period (through June 30 2004), while the budget was approved for the remainder of this fiscal year. This budget will be used to fill a new GIS Analyst position for MAG's Information Services Division, and a full-time FTE will be dedicated to Regional Development work program tasks. Additionally, the additional budget includes \$119,000 for a combination of MAG associates and/or consultants through June 30 2003. The budget for FY2004 will be developed as part of the overall work program and budget, and we are just starting this process. We want the development of our FY2004 work program and budget to be as open as possible, and invite the input of PSG participants in their development, especially for the associate/consulting budget.

Presentation of MAG Regional Development Work Tasks – Jack Tomasik

Mr. Tomasik presented an overview of the Regional Development work programs prior to discussion on the new work tasks. The presentation is enclosed with these meeting notes. Summarizing the presentation:

Five new work program tasks: Economic development, economic/demographic projections and impact analyses, regional annual report, compile information on regionally significant development projects, provide technical assistance to member agencies if invited.

Economic development – Provide existing MAG databases for regional and local economic development, and create new databases for economic development; provide strategic planning assistance to MAG member agencies, if invited.

Economic/demographic presentations & impact analyses – Using a state-of-the-art regional model by Regional Economic Models, Inc. (REMI), prepare projections for multiple scenarios, and prepare impact analyses of proposed policies and other events that would “shock” the region’s economy. As an example, there is a desire to quantify the impacts of the Regional Transportation Plan when it’s completed.

The REMI model is for both Maricopa and Pinal counties. MAG is presently using it to develop “placeholder” projections in Pinal County for the Regional Transportation Plan. REMI has the capability of projecting a rich set of economic, demographic, price, income, and occupational variables. MAG would like to develop model extensions for REMI. In particular, we can convert REMI output into projections of household formation by head-of-householder cohort (age, gender, and race/ethnicity group), households by income class, and demand for land in the MAG land use categories (which re-group land use categories of all MAG member agencies).

MAG would like to create a standing advisory group to provide input and review of the projections developed with REMI. We are working with the Arizona Department of Commerce to assemble this group from participants on their Technical Advisory Committee for the State Economic Study. Linka Danko in DOC, who is this year’s chair on the State POPTAC, is working with Jack Tomasik in assembling this group.

Regional annual report -- The annual report would be prepared at the end of each calendar year for the purpose of monitoring the region’s growth and development. It is conceived to have two dimensions.

First, the metro Phoenix region will be compared with our competitor regions. The San Diego Association of Governments (SANDAG) has just issued its first regional comparison report, which monitors 20+ metro regions, including Phoenix. They will share their final data with us electronically, and we will do further research on metro Phoenix to make sure the information is accurate. SANDAG’s annual report contains too much information, and we would select a much smaller set of variables to measure.

Second, MAG’s regional annual report would measure annual change on selected variables, with an emphasis on geographic change. Staff thinking is that the variables to be measured will include some for economy, population/demographics, land development, regional infrastructure, open space, and quality of life indicators. The information would be presented in map, graph, table, and text format. A suggested model is MAG’s Urban Atlas. However, the annual report is conceived to communicate growth issues to non-technical audiences – the public, government leaders and business leaders.

We want the PSG to provide input on more specifically defining the annual report – what variables should it report, and what format should it include? Regional Council asked for a “table of contents” to be developed with PSG input, and that would be reviewed by Intergovernmental Representatives before being sent to Management Committee for discussion and recommendation, and then to Regional Council for the same.

The first annual report would be prepared for 2003, and the report would be distributed in Spring 2004. It may be the topic of MAG's second Regional Town Hall. The first, to be held in Spring 2003, will be on the Regional Transportation Plan.

Compile Information on Regionally Significant Development Projects – This task is the result of more than a year's discussions in the MAG Regional Governance Task Force and Advisory Committee. Regional Council's authorization for this task is for a general direction, and their expectation is that more specific details will be defined based on input from the Planners Stakeholders Group and from Intergovernmental Representatives prior to forwarding it for discussion and approval by MAG Management Committee and, ultimately, Regional Council.

Presently, it is conceptualized as follows:

1. Through a process to be determined, MAG member agencies would transmit information on regionally significant development projects to MAG Regional Development for analysis. This analysis would occur prior to the entitlement of the project by the member agency.
2. MAG staff and/or consultants would prepare a cost/benefit analysis. On the cost side, build-out (or projected absorption) of land and its direct socioeconomic effects would drive the need for regional infrastructure and costs. On the benefit side, REMI will be used to provide a balanced analysis.
3. Member agency staff would meet with MAG staff to review the results of analysis. If requested by the member agency, MAG would transmit a written report or letter to the member agency. The member agency will use MAG's regional analysis as it sees fit.

We would like PSG input to more specifically define the process and methodological approach. We are asking for an ad hoc work group to be formed, consisting of PSG participants, to define the following:

1. *Definition of regionally significant projects* – starting point from similar definition adopted by Regional Council in the 1990-91 period.
2. *Specification of approach* – How to estimate regional sphere of influence, what types of infrastructure to include in the analysis, infrastructure requirements by size for each land use, cost of infrastructure, analytical report organization, etc.
3. *More defined process* – timelines for member agency to transmit project description to Regional Development staff, timeline for regional analysis, etc.

Provide MAG member agency assistance, if invited – The concept of this task is for MAG Regional Development staff to provide regional information and perspective for local planning issues, working as a team member with member agency staff. Properly staffed, this could be a win-win for both local areas and for the region, as regional perspective would be accounted for at the front end of local planning, instead of the back end review we presently conduct.

Presently, we are working with Goodyear to estimate the regional transportation costs due to Estrella Mountain Ranch, and the City may use this information in the cost of development for its General Plan update. Also, we will be working with Mesa on more fine-grained land use planning and on regional transportation issues for the Williams Gateway/GM Proving Grounds job center.

This is a new area for MAG. We have no idea how frequently we'll be asked to participate on a member agency planning team, and we thus have a concern about our own resource capability. We want to provide high value-added work, and are going to be careful about over-committing staff time while balancing our genuine desire to assist member agency planning.

Resources and Time Line for New Regional Development Work Program Tasks – The new tasks were approved for an 18-month period. Effectively, this means through June 30, 2004. At that point, they will be discussed by Management Committee and Regional Council for possible implementation. The added resources for these new tasks include one FTE GIS Analyst for regional development, and budget for MAG associates and/or consultants. In the remainder of FY2003, the associate/consulting budget is \$119,000. For FY2004, the budget depends on the scope of the Regional Development work program. We strongly hope for PSG input in the development of the FY04 work program and budget.

Discussion by All Meeting Participants

Expansion of Planners Stakeholders Group

Jack Tomasik – We would like to expand the PSG to include member agency economic development staff, on the reasoning that it could be a more powerful advisory group.

There was no comment to this suggestion by participants. Mr. Tomasik stated that, hearing no objection, MAG staff will invite member agency economic development staff to attend future PSG meetings.

Regional Development Division Assistance to MAG Member Agencies

Jack Tomasik – What about the idea of MAG staff providing technical assistance as a team member for planning projects by MAG member agencies?

Phil Testa - Always a need for third party objective review

Rodney Cobb, El Mirage – what about redevelopment?

Jack Tomasik – MAG staff does not have a redevelopment specialist on hand.

There ensued a discussion about the assistance that MAG is providing Mesa on Williams Gateway/GM Proving Grounds, which focuses on county supply/demand for nonresidential land, on WG/GM competitiveness from a regional perspective, and on regional transportation impacts resulting from master planned communities in Pinal County.

Wahid Alam – MAG's analysis will provide a fine grained to land use plan, more specific than the current plan in our General Plan.

Joy Mee – What about the best practices papers as part of member agency assistance? Where do the best practices papers that aren't completed stand?

Michelle Green – Reviewed status, indicating that the three final best practices papers have been submitted to MAG staff. They need to be finalized, but general plan review keeps bumping priorities.

After some discussion, the best practices Infill paper was identified to be the most complete of the remaining papers, and MAG will transmit the draft version to both Joy Mee and Rodney Cobb.

Priority of New Regional Development Tasks

Phil Testa – Is there any priority to the new tasks?

Jack Tomasik – There was no priority discussion by Management Committee or Regional Council, though most of their discussion focused on the Annual Report and Significant Development Projects. The Regional Development staff priority, off the top of my head, is as follows:

- 1. Significant Development Projects*
- 2. Annual Report*
- 3. Projections and Impact Analyses using REMI*
- 4. Economic Development*
- 5. Member agency assistance*

The priority of Regional Development tasks is a subject that MAG would like PSG to provide input.

Economic Development Discussion

Phil Testa – Can we review each of the new tasks in order?

Jack Tomasik – Let's begin with economic development. We developed a few preliminary databases as part of the TCSP grant, working with both Greater Phoenix Economic Council staff and with local economic development staff as part of GPEC's Economic Development Directors Team. This past year, we worked more closely with economic developer to review our major employers database, and it is much improved for that. We'd like to incorporate more local review into the update of that database this year. We'd also like to create a new GIS database for nonresidential parks and retail centers. We could use parks and centers to organize major employers for each member agency, which could help make their review more manageable. Also, though it may be too much work for next year, we'd like to develop databases on infrastructure provision – water, sewer, electricity, telecommunication. This is important economic development information, and it could be used to make better TAZ projections by MAG. We also want to update the commute shed information, which is mainly demographics.

Phil Testa – Doesn't GPEC have industrial, business, office park information?

Jack Tomasik – No. They are geared toward providing information needed in regional marketing and to respond to specific site factor questions by business prospects.

REMI Discussion

Jack Tomasik – Does anyone here not know what REMI is?

REMI stands for Regional Economic Models, Inc. It is the best regional projections and impact analysis model in existence, has an excellent model structure that is based on Keynesian economics, and has been in existence for more than 20 years. It comes with a full history of data starting in 1969 for both the region and the nation. MAG has a two county model for Maricopa and Pinal, since the metro area is expanding into Pinal County. We're going to use REMI to

develop alternative growth scenarios for the region, to evaluate the projections of state revenues for regional transportation funding, to analyze certain proposed policies, and to estimate the benefit side in the analysis of regionally significant development projects.

REMI is an excellent tool, and we want to conduct some special studies to make the best projections we can. We're trying to form an advisory group to provide input on our projection assumptions and to review draft projections. We'd like our projection process to be open instead of presuming to make assumptions in a black box environment.

REMI's weakness, as far as applying it here, is that it doesn't account for land supply. I've spoken with the Houston-Galveston Council of Governments, and they have a technique in which they combine REMI with their own subcounty allocation model (which does account for land supply, as does MAG's). Essentially, they do preliminary county projections that sum to the regional total. When the regional total is reasonable, they allocate each county using their subcounty model. Then, the residency adjustment portion of REMI's income account for each county can be adjusted to allocate the regional total to each county, and then a final run of the subcounty model allocates the projections to the TAZ level. In addition to this, we may want a special study on the effect of edge development here upon average housing prices in the region. Also, we may want a special study on transportation costs. Both of these depend on resources.

Annual Report Discussion

Jack Tomasik – The regional annual report is a consensus solution that moves MAG away from the perception of command and control to “watching the region.” It's important to do this one as good as possible. Staff time is a concern – we need to make sure that the resources available match the work that needs to be done. Thus, PSG input into the variables that we measure is very, very important.

Joy Mee – Annual report on GP implementation. Good idea but will only be effective if we pick a few key indicators. If we would like to track things, what would they be? For example, what is going on with open space funding? Protected open space is important. Tracking how the plan is evolving would be useful. It would not be that difficult. How much have you done? How are we doing with open space?

Jack Tomasik – SANDAG annual report is too detailed. They have an agreed-upon regional strategy, and their performance measures fall out of that. SANDAG has agreed to share their data file comparing San Diego with about 20-odd other regions, including Phoenix. They are going to do this every year, so MAG will have that resource to begin. The SANDAG report is overwhelming with information, and we'd like to select a smaller number of comparison variables. This way, we can check the validity of the Phoenix figures, and at the same time the report would be more easily digested.

Joy Mee – Rather than drowning people in data. Oregon did something that managers and elected officials would look at and use. Mary Jo Wait and “Hits and Misses” indicators should be in the annual report. Morrison has been looking at quality of life, and you should prevent duplication.

Jack Tomasik – We definitely don't want to duplicate and reinvent the wheel. We want to use our resources for the information that MAG can best provide. We fully intend to use information developed by other agencies and organizations. If you go back to the Regional Development mission statement earlier this year, we talked about monitoring growth and development.

Ray Quay – The Morrison report was important but they are not going to get the money to do that anytime soon, maybe you would use that you could pick that up and take it on. I think the standard economic data is something that's reported everywhere. Morrison's report is valuable because of the knowledge and analysis that was added to it, not just the reporting of data. For example, a comparison of the number of people added with the number of acres used, then it is the analysis of those things that count. The report needs to be useful and tell people the important things.

Matt Holm – It depends on how much time it takes to collect analysis and put on paper. Can you possibly do that in one year?

Jack Tomasik – If we had a reliable process to get information from cities, it is very possible. We rely on your data, and much of the new information on the region that MAG creates is assembled from local information from 25 sources. We may have to live with some lags in data. In terms of pure resources, a biannual report makes sense. If PSG participants decide that what it should be, we could run it through Management Committee and Regional Council.

Ray Quay – I think it should be annual.

Jack Tomasik – That's clearly what the concept is, as agreed by Intergovernmental Representatives, Management Committee and Regional Council.

Discussion of Significant Development Projects

Jack Tomasik – The critical thing here is that a more formalized process is necessary; people will be more comfortable once they understand how we are going to do this. Really, how we analyze significant development projects could also be used for major amendments. The information on major amendments coming to us is very sketchy, really just land use plans with no policy recommendations.

Discussion of PSG Ad Hoc Work Groups

Jack Tomasik – Does anyone have a problem with forming work groups?

Matt Holm – How much time will we need to provide?

Jack Tomasik – When we did this last year, we were quite successful in working through group emails. Anyone commenting just sent via "reply to all" in the email. MAG staff will take on the work of developing a set of ideas for starting point, and then modifying so that the consensus of the work group is reflected at the end. In terms of timeline, I believe we should shoot for

sometime in February to flesh out, especially, the annual report and significant development projects.

Volunteers for Annual Report Work Group

Ron Short, Glendale.
Joy Mee, Phoenix
Ray Quay, Phoenix
Phil Testa, Surprise
Matt Holm, Maricopa County
Wahid Alam, Mesa

Volunteers for Significant Development Projects

James Carpentier, Salt-River Maricopa IC.
Wahid Alam, Mesa
Paul Ferris, Eloy
Phil Garthright, Buckeye

Other Work Groups

Ray Quay – Who is working on REMI, I don't see that on the list.

Jack Tomasik - Linda Danko of AZ DOC, Tom Rex of ASU, Alberta Cherney of UA, Linda Strock of DES, and the demographer from DES, and Harry Wolfe of MAG

Ray Quay – I would be interested in working on REMI

Jack Tomasik – Okay, will do.

Jack Tomasik – What about a group for information collection by MAG? We use a disproportionate amount of time that cuts across all levels of staff here for information collection. There is usually multiple phone calls, and we often get conflicting info from people at the same city. Is it possible to address this problem?

Joy Mee – You need to be more specific about who, what, where. Define it and tell us what you want from us.

Jack Tomasik – Then that discussion should hold off till we decide what we're going to measure in the annual report, and what databases we are going to take on in the coming fiscal year.

Jack Tomasik – That also applies to a group for the work program and budget. Let's start with these three groups and go forward. I will send out an email to the other PSG participants to invite more participation.

Jack Tomasik – The first PSG meeting of the new year will be held January 22 at 1 pm. Every meeting after that will be the same day as the monthly MAG POPTAC meetings.